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ERRATA

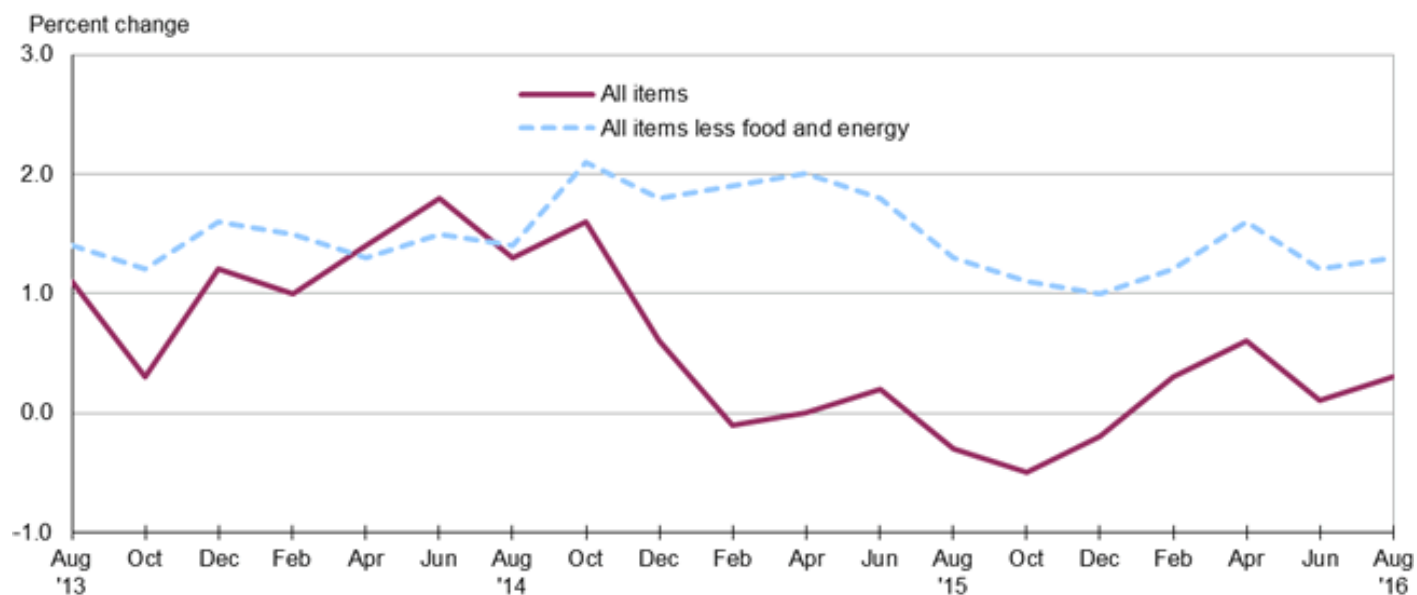
Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm, and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

Consumer Price Index, Philadelphia-Wilmington-Atlantic City – August 2016
Area prices down 0.2 percent since June and up 0.3 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Philadelphia-Wilmington-Atlantic City decreased 0.2 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted that the recent decrease reflected lower prices for energy (-3.5 percent). The food index edged up 0.2 percent since June, while the all items less food and energy index was unchanged. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U increased 0.3 percent. (See [chart 1](#) and [table A](#).) A 1.3-percent increase in the all items less food and energy index was partially offset by an 8.4-percent drop in the energy index since August 2015. Food prices also decreased over the year, down 0.4 percent. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Philadelphia, August 2013–August 2016



Food

After increasing 0.2 percent from April to June, the food index again edged up 0.2 percent over the last two months. Prices for food away from home increased 0.4 percent, and those for food at home inched up 0.1 percent since June.

The food index decreased 0.4 percent over the year. Prices for food at home declined 2.0 percent, while those for food away from home increased 2.0 percent since last August.

Energy

The energy index, which includes prices for household and transportation fuels, decreased 3.5 percent since June. This was due mostly to lower prices for gasoline, down 8.2 percent over the last two months. Prices for electricity also decreased since June, down 0.3 percent, while those for utility (piped) gas service increased, up 0.1 percent.

Energy prices fell 8.4 percent since August 2015, due largely to a 15.2-percent drop in gasoline prices. Electricity and utility (piped) gas service prices were also lower over the year, down 1.6 and 4.7 percent, respectively.

All items less food and energy

The index for all items less food and energy was unchanged from June to August. Higher prices for shelter (0.4 percent), among others, were offset by several price declines including decreases in household furnishings and operations prices (-3.3 percent) and recreation prices (-0.9 percent).

Since August 2015, the index for all items less food and energy rose 1.3 percent. Over-the-year price increases for shelter (1.3 percent) and medical care (4.2 percent) contributed to the rise. Lower prices for recreation (-1.8 percent), among others, helped to moderate the increase in the all items less food and energy index since last August.

Table A. Philadelphia CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

| Month | 2012 | | 2013 | | 2014 | | 2015 | | 2016 | |
|---------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|----------|
| | 2-month | 12-month | 2-month | 12-month | 2-month | 12-month | 2-month | 12-month | 2-month | 12-month |
| February..... | 0.7 | 2.2 | 0.7 | 1.8 | 0.5 | 1.0 | -0.2 | -0.1 | 0.3 | 0.3 |
| April..... | 0.8 | 2.0 | 0.1 | 1.1 | 0.5 | 1.4 | 0.5 | 0.0 | 0.9 | 0.6 |
| June..... | -0.2 | 1.3 | 0.3 | 1.5 | 0.6 | 1.8 | 0.8 | 0.2 | 0.3 | 0.1 |
| August..... | 0.9 | 1.4 | 0.5 | 1.1 | 0.0 | 1.3 | -0.5 | -0.3 | -0.2 | 0.3 |
| October..... | 0.4 | 2.2 | -0.4 | 0.3 | -0.1 | 1.6 | -0.3 | -0.5 | | |
| December..... | -0.9 | 1.8 | 0.1 | 1.2 | -0.8 | 0.6 | -0.6 | -0.2 | | |

The Consumer Price Index for October 2016 is scheduled to be released Thursday, November 17, 2016 at 8:30 am (ET).

Technical Note

The Consumer Price Index for Philadelphia-Wilmington-Atlantic City is published bi-monthly. The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., Consolidated Metropolitan Statistical Area** includes Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in Pennsylvania; Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem Counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., (1982-84=100 unless otherwise noted) (not seasonally adjusted)

| Expenditure category | Indexes | | | | Percent change from | | |
|--|-----------------|-----------|-----------|-----------|---------------------|-----------|-----------|
| | Historical data | Jun. 2016 | Jul. 2016 | Aug. 2016 | Aug. 2015 | Jun. 2016 | Jul. 2016 |
| All items..... | | 245.980 | | 245.367 | 0.3 | -0.2 | |
| All items (1967 = 100)..... | | 710.623 | | 708.852 | | | |
| Food and beverages..... | | 231.574 | | 232.117 | -0.2 | 0.2 | |
| Food..... | | 231.356 | | 231.905 | -0.4 | 0.2 | |
| Food at home..... | | 239.034 | 240.893 | 239.374 | -2.0 | 0.1 | -0.6 |
| Food away from home..... | | 215.596 | | 216.406 | 2.0 | 0.4 | |
| Alcoholic beverages..... | | 231.172 | | 231.635 | 2.0 | 0.2 | |
| Housing..... | | 251.724 | | 251.788 | 0.7 | 0.0 | |
| Shelter..... | | 311.558 | 311.803 | 312.794 | 1.3 | 0.4 | 0.3 |
| Rent of primary residence ⁽¹⁾ | | 290.258 | 290.691 | 291.502 | 1.1 | 0.4 | 0.3 |
| Owners' equivalent rent of residences ^{(1) (2) (3)} .. | | 320.517 | 320.823 | 321.601 | 1.3 | 0.3 | 0.2 |
| Owners' equivalent rent of primary residence ^{(1) (2) (3)} .. | | 320.517 | 320.823 | 321.601 | 1.3 | 0.3 | 0.2 |
| Fuels and utilities..... | | 200.748 | | 200.691 | -2.3 | 0.0 | |
| Household energy..... | | 167.357 | 167.940 | 166.710 | -3.3 | -0.4 | -0.7 |
| Gas (piped) and electricity ⁽¹⁾ | | 180.599 | 181.460 | 180.239 | -2.4 | -0.2 | -0.7 |
| Electricity ⁽¹⁾ | | 192.870 | 194.042 | 192.226 | -1.6 | -0.3 | -0.9 |
| Utility (piped) gas service ⁽¹⁾ | | 147.568 | 147.807 | 147.754 | -4.7 | 0.1 | 0.0 |
| Household furnishings and operations..... | | 116.677 | | 112.772 | -1.0 | -3.3 | |
| Apparel | | 108.985 | | 109.611 | 2.3 | 0.6 | |
| Transportation..... | | 203.654 | | 198.639 | -3.0 | -2.5 | |
| Private transportation..... | | 200.824 | | 196.881 | -3.2 | -2.0 | |
| Motor fuel..... | | 206.859 | 195.179 | 190.007 | -15.1 | -8.1 | -2.6 |
| Gasoline (all types)..... | | 204.082 | 192.503 | 187.347 | -15.2 | -8.2 | -2.7 |
| Gasoline, unleaded regular ⁽⁴⁾ | | 201.027 | 189.286 | 183.829 | -15.9 | -8.6 | -2.9 |
| Gasoline, unleaded midgrade ^{(4) (5)} | | 211.069 | 200.393 | 196.458 | -11.9 | -6.9 | -2.0 |
| Gasoline, unleaded premium ⁽⁴⁾ | | 208.826 | 198.804 | 195.666 | -11.7 | -6.3 | -1.6 |
| Medical care | | 511.229 | | 512.543 | 4.2 | 0.3 | |
| Recreation ⁽⁶⁾ | | 122.821 | | 121.703 | -1.8 | -0.9 | |
| Education and communication ⁽⁶⁾ | | 133.014 | | 133.611 | 0.2 | 0.4 | |
| Other goods and services | | 514.410 | | 523.008 | 2.9 | 1.7 | |
| Commodity and service group..... | | | | | | | |
| Commodities..... | | 176.061 | | 174.320 | -1.5 | -1.0 | |
| Commodities less food and beverages..... | | 145.264 | | 142.720 | -2.6 | -1.8 | |
| Nondurables less food and beverages..... | | 180.844 | | 177.841 | -2.7 | -1.7 | |
| Durables..... | | 105.290 | | 103.305 | -2.1 | -1.9 | |
| Services..... | | 317.053 | | 317.452 | 1.3 | 0.1 | |
| Special aggregate indexes..... | | | | | | | |
| All items less shelter..... | | 224.753 | | 223.435 | -0.2 | -0.6 | |
| All items less medical care..... | | 234.807 | | 234.105 | 0.0 | -0.3 | |
| Commodities less food..... | | 148.322 | | 145.859 | -2.4 | -1.7 | |

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

| Expenditure category | Indexes | | | | Percent change from | | |
|--|-----------------|-----------|-----------|-----------|---------------------|-----------|-----------|
| | Historical data | Jun. 2016 | Jul. 2016 | Aug. 2016 | Aug. 2015 | Jun. 2016 | Jul. 2016 |
| Nondurables..... | | 207.150 | | 205.720 | -1.3 | -0.7 | |
| Nondurables less food..... | | 183.787 | | 180.996 | -2.3 | -1.5 | |
| Services less rent of shelter ⁽²⁾ | | 330.012 | | 329.475 | 1.3 | -0.2 | |
| Services less medical care services..... | | 302.579 | | 302.947 | 1.2 | 0.1 | |
| Energy..... | | 181.727 | 177.991 | 175.369 | -8.4 | -3.5 | -1.5 |
| All items less energy..... | | 254.922 | | 254.931 | 1.1 | 0.0 | |
| All items less food and energy..... | | 261.529 | | 261.448 | 1.3 | 0.0 | |

(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Indexes on a December 1982=100 base.

(3) This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

(4) Special index based on a substantially smaller sample.

(5) Indexes on a December 1993=100 base.

(6) Indexes on a December 1997=100 base.

Note: Index applies to a month as a whole, not to any specific date.